

KEDRION
B I O P H A R M A

KEDRION GROUP
CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2022



KEDRION S,p,A,

Joint-stock company

Share Capital 60,453,901,00 Euro fully paid up

Registered office: Località Ai Conti - Castelvecchio Pascoli - 55051 BARGA (LU)

Production workshop: Bolognana - 55027 GALLICANO (LU)

Sant'Antimo - 80029 SANT'ANTIMO (NA)

Fiscal code - VAT no, - Reg, Lucca Companies n, 01779530466 - REA Registration n, 170535

FINANCIAL STATEMENTS

KEDRION Group

Based at LOC, AI CONTI - 55051 CASTELVECCHIO PASCOLI (LU)

Share Capital Euro 60,453,901 fully paid up

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)	31/03/2022	31/12/2021
NON-CURRENT ASSETS		
Property, plant and equipment	320,590	322,150
Investments property	1,464	1,465
Goodwill	272,162	269,889
Rights of use	115,161	106,476
Intangible fixed assets with a finite useful life	162,106	162,133
Equity investments in other companies	20	20
Other non-current financial assets	6,398	6,455
Deferred tax assets	10,738	10,009
Income tax receivables	1,171	1,783
Other non-current assets	897	945
TOTAL NON-CURRENT ASSETS	890,707	881,325
CURRENT ASSETS		
Inventories	304,030	266,438
Trade receivables	125,466	133,354
Contractual assets	37,018	33,896
Income tax receivables	8,905	9,503
Other current assets	35,364	29,062
Other current financial assets	872	1,016
Cash and cash equivalents	83,806	134,200
TOTAL CURRENT ASSETS	595,461	607,469
TOTAL ASSETS	1,486,168	1,488,794

(in thousands of Euro)	31/03/2022	31/12/2021
SHAREHOLDERS' EQUITY		
GROUP SHAREHOLDERS' EQUITY		
Share capital	60,454	60,454
Reserves	427,784	409,332
Net profit attributable to the Group	(9,394)	13,823
TOTAL GROUP SHAREHOLDERS' EQUITY	478,844	483,609
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		
Capital and reserves of non-controlling interests	623	2,737
Net profit attributable to non-controlling interests	72	(2,210)
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	695	527
TOTAL SHAREHOLDERS' EQUITY	479,539	484,136
NON-CURRENT LIABILITIES		
Medium-/long-term loans	527,479	519,481
Provisions for risks and charges	778	778
Employee benefits liabilities	3,717	3,707
Other non-current liabilities	2,439	2,999
TOTAL NON-CURRENT LIABILITIES	534,413	526,965
CURRENT LIABILITIES		
Payables to banks and other lenders	95,559	50,052
Current portion of medium-/long-term loans	213,245	212,241
Provisions for risks and charges	13,291	16,444
Trade payables	108,774	148,157
Contractual liabilities	6,254	6,253
Income tax payables	2,152	4,097
Other current liabilities	32,941	40,449
TOTAL CURRENT LIABILITIES	472,216	477,693
TOTAL LIABILITIES	1,006,629	1,004,658
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,486,168	1,488,794

KEDRION Group

Based at LOC, AI CONTI- 55051 CASTELVECCHIO PASCOLI (LU)

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STATEMENT OF PROFIT OR LOSS FOR THE YEAR

(in thousands of Euro)	31/03/2022	31/03/2021
Revenue	119,373	122,974
Cost of sales	87,741	92,070
GROSS MARGIN	31,632	30,904
Other income	5,103	17,808
General and administrative expenses	21,637	18,919
Sales and marketing expenses	10,147	9,479
Research and development expenses	7,222	5,747
Other operating costs	1,980	2,088
OPERATING PROFIT	(4,251)	12,479
Financial expenses	14,229	13,503
Financial income	7,890	15,520
PROFIT BEFORE TAXES	(10,590)	14,496
Income taxes	(1,268)	5,917
NET PROFIT FOR THE PERIOD	(9,322)	8,579
Of which:		
Net profit attributable to the Group	(9,394)	9,005
Net profit attributable to non-controlling interests	72	(426)

KEDRION Group

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PROFIT AND LOSS STATEMENT AND OTHER COMPREHENSIVE INCOME

(in thousands of Euro)	31/03/2022	31/03/2021
NET PROFIT FOR THE YEAR	(9,322)	8,579
OTHER COMPONENTS OF THE STATEMENT OF COMPREHENSIVE INCOME		
Other components of the Statement of Comprehensive Income which will be restated under profit/(loss) for the year:		
Net (loss)/profit on cash flow hedges	0	101
Income taxes	0	(24)
Translation differences of foreign financial statements	5,116	7,849
Total other comprehensive income components which will be restated under profit/(loss) for the year after taxes	5,116	7,926
Other components of the Statement of Comprehensive Income which will not be restated under profit/(loss) for the year:		
(Loss)/Actuarial net profit on defined benefit plans	(26)	125
Income taxes	6	(30)
Total other comprehensive income components which will not be restated under profit/(loss) for the year after taxes	(20)	95
TOTAL OTHER COMPONENTS OF THE STATEMENT OF COMPREHENSIVE INCOME, NET OF TAXATION	5,096	8,021
TOTAL COMPREHENSIVE PROFIT/(LOSS) AFTER TAXES	(4,226)	16,600
Attributable to:		
Group interests	(4,394)	17,103
Non-controlling interests	168	(504)

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CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

(in thousands of Euro)	Share capital	Legal reserve	Share premium reserve	Other reserves	Cash flow currency hedge reserves	Foreign currency translation reserve	TFR (employee severance indemnity reserve) (IAS 19)	Income for the period	Shareholders' Equity attributable to Equity holders of the Parent	Total Equity attributable to non-controlling interests	Total Shareholders' Equity
BALANCE AS AT 01,01,2022	60,454	10,221	77,903	312,147	-	9,929	(868)	13,823	483,609	527	484,136
Allocation of profit for the year	0	0	0	13,823	0	0	0	(13,823)	0	0	0
Distribution of dividends	0	0	0	0	0	0	0	0	0	0	0
Purchase of a minority share in Kedrion Brasil	0	0	0	0	0	0	0	0	0	0	0
Realization of Kswiss exchange difference	0	0	0	(371)	0	371	0	0	0	0	0
Exchange differences	0	0	0	0	0	4,649	0	0	4,649	96	4,745
Comprehensive income for the year	0	0	0	0	0	0	(20)	(9,394)	(9,414)	72	(9,342)
BALANCE AS AT 31,03,2022	60,454	10,221	77,903	325,599	-	14,949	(888)	-9,394	478,844	695	479,539

KEDRION Group

Based at LOC, AI CONTI- 55051 CASTELVECCHIO PASCOLI (LU)

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CONSOLIDATED STATEMENT OF CASH FLOW

(In thousands of Euro)	31/03/2022	31/03/2021
NET INCOME/(LOSS) (BEFORE TAXES) FOR THE PERIOD	(10,590)	14,496
Adjustments to reconcile net profit with cash flow generated / (absorbed) by operating activities		
Amortization and depreciation	13,776	11,517
Financial expenses	14,229	13,503
Financial income	(7,890)	(15,520)
Provisions for employee benefits	1	125
Payment of employee benefits	(17)	(161)
Net change in provisions for risks and charges	(3,153)	(234)
Net change in other non-current assets and liabilities	(560)	(46)
Net Change in other non-current assets	48	(521)
Net changes in operating assets and liabilities		
Trade receivables	830	50,684
Inventories	(37,592)	(16,841)
Trade payables	(37,968)	(38,097)
Other current assets and liabilities	(12,099)	16,984
Other cash flow from operating activities		
Income taxes paid	(1,093)	(2,890)
NET CASH FLOW GENERATED BY OPERATING ACTIVITIES (A)	(82,078)	32,999
Investments in tangible assets	(2,779)	(4,697)
Disposal of tangible assets	232	47
Goodwill	0	(3,689)
Investments in intangible assets	(1,643)	(2,335)
NET CASH FLOW ABSORBED BY INVESTMENT ACTIVITIES (B)	(4,190)	(10,674)

Distribution of dividends	(5,183)	(8,767)
Repayment of medium/long-term debt	(1,464)	(10,945)
Interest collected	154	560
Interest paid	(2,840)	(2,773)
Change in non-current financial assets	0	293
Change in non-current financial liabilities	57	(300)
Change in short-term financial liabilities	45,524	47,474
Net change in short-term financial assets and liabilities	144	4,495
NET CASH FLOW GENERATED/(ABSORBED) BY FINANCING ACTIVITIES (C)	36,392	30,037
Net cash flow generated by operating activities (A)	(82,078)	32,999
Net cash flow absorbed by investment activities (B)	(4,190)	(10,674)
Net cash flow generated/(absorbed) by financing activities (C)	36,392	30,037
TOTAL NET CASH FLOW D=(A+B+C)	(49,876)	52,362
Cash and cash equivalents at the beginning of the period (E)	134,186	100,575
Net effect of conversion of foreign currencies on cash and cash equivalents (F)	(505)	(615)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD G =(D+E+F)	83,805	152,322
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD:		
Cash and cash equivalents:	134,200	100,592
Current account overdrafts and cash equivalents payable on demand	(14)	(17)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	134,186	100,575
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD:		
Cash and cash equivalents	83,806	152,336
Current account overdrafts and cash equivalents payable on demand	(1)	(14)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD:	83,805	152,322

Castelvecchio Pascoli, May 27th 2022

On behalf of the Board of Directors
The Chairman
Paolo Marcucci

KEDRION
BIOPHARMA

